

ORIGINAL

P.S.C. KY NO. 8

CANCELS P.S.C. KY NO. 7

BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION  
OF  
PAINTSVILLE, KENTUCKY

RATES, RULES, AND REGULATIONS FOR PURCHASING  
ELECTRIC POWER AND ENERGY  
AT  
VARIOUS LOCATIONS THROUGHOUT KENTUCKY  
FROM  
QUALIFIED COGENERATION AND  
SMALL POWER PRODUCTION FACILITIES

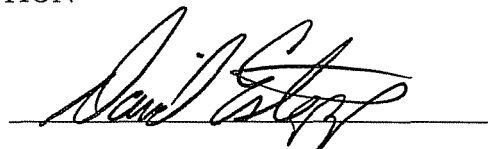
FILED WITH THE PUBLIC SERVICE COMMISSION  
OF KENTUCKY

ISSUED March 30, 2012

EFFECTIVE June 1, 2012

ISSUED BY BIG SANDY RURAL ELECTRIC COOPERATIVE  
CORPORATION

BY

A handwritten signature in black ink, appearing to read "David Estepp", is written over a horizontal line.

David Estepp  
President and General Manager

BIG SANDY RURAL ELECTRIC COOPERATIVE CORP.

COGENERATION AND SMALL POWER PRODUCTION  
POWER PURCHASE RATE SCHEDULE OVER 100 kW

**AVAILABILITY**

Available only to qualified cogeneration or small power production facilities with a design capacity of over 100 kW which have executed a contract with Big Sandy RECC and EKPC for the purchase of electric power by Big Sandy RECC.

**RATES**

The rates set forth below shall be used as the basis for negotiating a final purchase rate with qualifying facilities pursuant to Section 7 of 807 KAR 5:054.

1. Capacity

- a. \$84.47 per kW per year is applicable if cogenerator or small power producer is dispatched by Big Sandy RECC. (R)
- b. \$0.01080 per kWh is applicable if cogenerator or small power producer is not dispatched by Big Sandy RECC. (R)

2. Energy – A base payment per kWh is listed below for a time-differentiated basis or a non-time differentiated basis for the specified years.

a. Time Differentiated Rates:

Year	<u>Winter</u>		<u>Summer</u>		
	On-Peak	Off-Peak	On-Peak	Off-Peak	
2012	\$0.03384	\$0.03183	\$0.03502	\$0.03029	(R)
2013	\$0.03704	\$0.03564	\$0.03791	\$0.03210	(R)
2014	\$0.04090	\$0.03772	\$0.04121	\$0.03468	(R)
2015	\$0.04360	\$0.03979	\$0.04446	\$0.03760	(R)
2016	\$0.04584	\$0.04075	\$0.04627	\$0.03668	(N)

b. Non-Time Differentiated Rates:

Year	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	(R) (N)*
Rate	\$0.03284	\$0.03588	\$0.03885	\$0.04154	\$0.04270*	

DATE OF ISSUE March 30, 2012

DATE EFFECTIVE June 1, 2012

ISSUED BY David Estep

TITLE President & General Manager

Issued by authority of an Order of the Public Service Commission of Kentucky in  
Case No. 2008-00128 Dated August 20, 2008

BIG SANDY RURAL ELECTRIC COOPERATIVE CORP.

For Area Served  
P.S.C. No. 8  
Second Revised Sheet No. 2  
Canceling P.S.C. No. 8  
First Revised Sheet No. 2

The on-peak and off-peak energy rates are applicable during the hours listed below for each season:

Winter (October - April)

**On-Peak** 7:00 a.m. - 12:00 noon  
5:00 p.m. - 10:00 p.m.

**Off-Peak** 12:00 noon - 5:00 p.m.  
10:00 p.m. - 7:00 a.m.

Summer (May - September)

**On-Peak** 10:00 a.m. - 10:00 p.m.

**Off-Peak** 10:00 p.m. - 10:00 a.m.

TERMS AND CONDITIONS

1. All power from a Qualifying Facility (QF) will be sold only to Big Sandy RECC.
2. Seller must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor.
3. Qualifying Facility (QF) shall provide reasonable protection for Big Sandy RECC and EKPC.
4. Qualifying Facility (QF) shall design, construct, install, own, operate, and maintain the Qualifying Facility in accordance with all applicable codes, laws, regulations, and generally accepted utility practices.
5. Qualifying Facility shall reimburse Big Sandy RECC and EKPC for all costs incurred as a result of interconnecting with the QF, including operation, maintenance, administration, and billing.

DATE OF ISSUE March 30, 2012

DATE EFFECTIVE June 1, 2012

ISSUED BY David Estep

TITLE President & General Manager

Issued by authority of an Order of the Public Service Commission of Kentucky in  
Case No. 2008-00128 Dated August 20, 2008

BIG SANDY RURAL ELECTRIC COOPERATIVE CORP.

---

6. Qualifying Facility shall obtain insurance in the following minimum amounts for each occurrence:
  - a. Public Liability for Bodily Injury - \$1,000,000.00
  - b. Property Damage - \$500,000.00
7. Initial contract term shall be for a minimum of five years.
8. Qualifying Facilities proposing to supply as available (non-firm) electric power shall not be entitled to a capacity payment.
9. Qualifying cogeneration and small power production facilities must meet the definition set forth in 807 KAR 5:054 to be eligible for this tariff.
10. Updated rates will be filed with the Public Service Commission of Kentucky by March 31 of each year.

---

DATE OF ISSUE March 30, 2012

DATE EFFECTIVE June 1, 2012

ISSUED BY David Estepp

TITLE President & General Manager

Issued by authority of an Order of the Public Service Commission of Kentucky in  
Case No. 2008-00128 Dated August 20, 2008

BIG SANDY RURAL ELECTRIC COOPERATIVE CORP.

COGENERATION AND SMALL POWER PRODUCTION  
POWER PURCHASE RATE SCHEDULE  
LESS THAN 100 kW

**AVAILABILITY**

Available only to qualified cogeneration or small power production facilities with a design capacity of less than 100 kW which have executed a contract with Big Sandy RECC and EKPC for the purchase of electric power by Big Sandy RECC

**RATES**

1. Capacity

- a. \$84.47 per kW per year is applicable if cogenerator or small power producer is dispatched by Big Sandy RECC. (R)
- b. \$0.01080 per kWh is applicable if cogenerator or small power producer is not dispatched by Big Sandy RECC. (R)

2. Energy – A base payment per kWh is listed below for a time-differentiated basis or a non-time differentiated basis for the specified years.

a. Time Differentiated Rates:

Year	<u>Winter</u>		<u>Summer</u>	
	On-Peak	Off-Peak	On-Peak	Off-Peak
2012	\$0.03384	\$0.03183	\$0.03502	\$0.03029
2013	\$0.03704	\$0.03564	\$0.03791	\$0.03210
2014	\$0.04090	\$0.03772	\$0.04121	\$0.03468
2015	\$0.04360	\$0.03979	\$0.04446	\$0.03760
2016	\$0.04584	\$0.04075	\$0.04627	\$0.03668

(R)  
(R)  
(R)  
(R)  
(N)

b. Non-Time Differentiated Rates:

Year	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Rate	\$0.03284	\$0.03588	\$0.03885	\$0.04154	\$0.04270*

(R) (N)\*

DATE OF ISSUE March 30, 2012

DATE EFFECTIVE June 1, 2012

ISSUED BY David Estep

TITLE President & General Manager

Issued by authority of an Order of the Public Service Commission of Kentucky in  
Case No. 2008-00128 Dated August 20, 2008

BIG SANDY RURAL ELECTRIC COOPERATIVE CORP.

The on-peak and off-peak energy rates are applicable during the hours listed below for each season:

Winter (October - April)

**On-Peak** 7:00 a.m. - 12:00 noon  
5:00 p.m. - 10:00 p.m.

**Off-Peak** 12:00 noon - 5:00 p.m.  
10:00 p.m. - 7:00 a.m.

Summer (May - September)

**On-Peak** 10:00 a.m. - 10:00 p.m.

**Off-Peak** 10:00 p.m. - 10:00 a.m.

TERMS AND CONDITIONS

1. All power from a Qualifying Facility (QF) will be sold only to Big Sandy RECC.
2. Seller must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor.
3. Qualifying Facility (QF) shall provide reasonable protection for Big Sandy RECC and EKPC.
4. Qualifying Facility (QF) shall design, construct, install, own, operate, and maintain the Qualifying Facility in accordance with all applicable codes, laws, regulations, and generally accepted utility practices.
5. Qualifying Facility shall reimburse Big Sandy RECC and EKPC for all costs incurred as a result of interconnecting with the QF, including operation, maintenance, administration, and billing.

DATE OF ISSUE March 30, 2012

DATE EFFECTIVE June 1, 2012

ISSUED BY David Estep

TITLE President & General Manager

Issued by authority of an Order of the Public Service Commission of Kentucky in  
Case No. 2008-00128 Dated August 20, 2008

BIG SANDY RURAL ELECTRIC COOPERATIVE CORP.

---

6. Qualifying Facility shall obtain insurance in the following minimum amounts for each occurrence:
  - a. Public Liability for Bodily Injury - \$1,000,000.00
  - b. Property Damage - \$500,000.00
7. Initial contract term shall be for a minimum of five years.
8. Qualifying Facilities proposing to supply as available (non-firm) electric power shall not be entitled to a capacity payment.
9. Qualifying cogeneration and small power production facilities must meet the definition set forth in 807 KAR 5:054 to be eligible for this tariff.
10. Updated rates will be filed with the Public Service Commission of Kentucky by March 31 of each year.

---

DATE OF ISSUE March 30, 2012

DATE EFFECTIVE June 1, 2012

ISSUED BY David Estepp

TITLE President & General Manager

Issued by authority of an Order of the Public Service Commission of Kentucky in  
Case No. 2008-00128 Dated August 20, 2008